

Executive Summary – Enforcement Matter – Case No. 51758

Phillips 66 Company

RN100229319

Docket No. 2016-0090-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Gulf Coast Fractionators, 9500 Farm-to-Market Road 1942, Mont Belvieu, Chambers County

Type of Operation:

Natural gas liquids fractionation plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: May 20, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$26,250

Amount Deferred for Expedited Settlement: \$5,250

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$10,500

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$10,500

Name of SEP: Barbers Hill Independent School District (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Executive Summary – Enforcement Matter – Case No. 51758

Phillips 66 Company

RN100229319

Docket No. 2016-0090-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: October 23, 2015 through November 30, 2015

Date(s) of NOE(s): January 7, 2016

Violation Information

1. Failed to comply with the nitrogen oxide ("NOx") and carbon monoxide ("CO") emissions limits of 0.01 pound per million British thermal units ("lb/MMBtu") and 0.08 lb/MMBtu, respectively, on an hourly average. Specifically, from October 12, 2014 through March 23, 2015, the NOx emissions ranged from 0.02 lb/MMBtu to 0.04 lb/MMBtu for four hours, and from August 12, 2014 through March 19, 2015, the CO emissions ranged from 0.09 lb/MMBtu to 0.17 lb/MMBtu for 49 hours at the Turbine Group 1 with Heat Recovery Steam Generator ("HRSG") 1 and 2, Emission Point Number ("EPN") BO-101 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit ("FOP") No. 0831, Special Terms and Conditions ("STC") No. 8, and New Source Review ("NSR") Permit No. 21593, Special Conditions ("SC") No. 8.B].

2. Failed to comply with the NOx emissions limit of 0.01 lb/MMBtu and CO concentration limit of 50 parts per million by volume, dry ("ppmvd") at three percent oxygen on an hourly average. Specifically, from September 22, 2014 through April 20, 2015, the NOx emissions ranged from 0.02 lb/MMBtu to 0.03 lb/MMBtu for 95 hours, and from June 20, 2014 through April 28, 2015, the CO emissions ranged from 57 ppmvd to 712 ppmvd for 19 hours at the Auxiliary Boiler, EPN BO-103 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. 0831, STC No. 8, and NSR Permit No. 21593, SC No. 8.G].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent implemented the following corrective measures:

a. By March 24, 2016, replaced the turbine exhaust gas inlet guillotine valves to allow for the shutdown and isolation of an individual section to perform maintenance without the shutting down the whole plant, replaced the combustion air inlet guillotine valves and control louvers, replaced the stack damper butterfly valves, repaired internal refractory, and completed improvements to electrical wiring of instrumentation to comply with the NOx and CO emissions limits at the Turbine Group 1 with HRSG 1 and 2, EPN BO-101; and

Executive Summary – Enforcement Matter – Case No. 51758

Phillips 66 Company

RN100229319

Docket No. 2016-0090-AIR-E

b. By February 19, 2016, repaired the hot spots on the west wall of the super-heat section, replaced all relief valves, completed an internal inspection of boiler tubes, repaired the refractory and hydro-tested the boiler tubes, installed new gaskets, rebuilt the Boiler Feed Water Control, and replaced the bypass globe valve to comply with the NOx emissions limit and CO concentration limit at the Auxiliary Boiler, EPN BO-103.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Raime Hayes-Falero, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3567; Melissa Cordell, Enforcement Division, MC 219, (512) 239-2483

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: Donald J. Pirolo, Plant Manager, Phillips 66 Company, P.O. Box 845, Mont Belvieu, Texas 77580

Respondent's Attorney: N/A

Attachment A
Docket Number: 2016-0090-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Phillips 66 Company
Penalty Amount:	Twenty-One Thousand Dollars (\$21,000)
SEP Offset Amount:	Ten Thousand Five Hundred Dollars (\$10,500)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Barbers Hill Independent School District
Project Name:	<i>Energy Efficiency Building Upgrade/Retrofit Project</i>
Location of SEP:	Chambers County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Barbers Hill Independent School District** for the *Energy Efficiency Building Upgrade/Retrofit Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to pay a contractor to install and monitor sub-meters. The contractor's work will include installing revenue grade electric sub-meters in the line feed of certain facilities; installing revenue grade current transformers; incorporating all engineering, software, and graphics to accomplish effective monitoring of the status of this equipment; and a one-year warranty including parts and labor for the new sub-meters. In addition to sub-metering, the Third-Party Administrator shall use the SEP Offset Amount to pay its contractor to monitor, calibrate, and repair existing meters and to complete energy efficiency upgrades and/or retrofits based on needs identified in energy audits. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not able to be spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

Phillips 66 Company
Agreed Order - Attachment A

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The Project will result in reduced energy consumption by school district buildings and will contribute to the overall reduction of greenhouse gases. The sub-metering is expected to reduce energy consumption up to eight percent. The Project will reduce fuel and electricity usage for heating and cooling and day-to-day operations. These reductions will reduce emission of particulate matter, volatile organic carbon compounds, nitrogen oxides, and other pollutants associated with the combustion of fuel and generation of electricity. It will also contribute to a reduction in peak loads on the State electric power grid.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Barbers Hill ISD SEP** and shall mail the contribution with a copy of the Agreed Order to:

John Johnson, Consultant
Carl R. Griffith & Associates, Inc.
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Phillips 66 Company
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

DATES	Assigned	11-Jan-2016	Screening	15-Jan-2016	EPA Due	
	PCW	14-Apr-2016				

RESPONDENT/FACILITY INFORMATION

Respondent	Phillips 66 Company		
Reg. Ent. Ref. No.	RN100229319		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	51758	No. of Violations	2	
Docket No.	2016-0090-AIR-E	Order Type	1660	
Media Program(s)	Air	Government/Non-Profit	No	
Multi-Media		Enf. Coordinator	Jessica Schildwachter	
		EC's Team	Enforcement Team 5	
Admin. Penalty \$ Limit Minimum		\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$26,250**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **0.0%** Adjustment **Subtotals 2, 3, & 7** **\$0**

Notes: Enhancement for one NOV with same or similar violations and reduction for six notices of intent to conduct an audit and two disclosures of violations; however, the Adjustment Percentage (Subtotal 2) defaults to zero because the adjustment is below zero in accordance with the Penalty Policy.

Culpability **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **\$0**

Economic Benefit **0.0%** Enhancement* **Subtotal 6** **\$0**

Total EB Amounts \$821
Estimated Cost of Compliance \$10,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$26,250**

OTHER FACTORS AS JUSTICE MAY REQUIRE **0.0%** Adjustment **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$26,250**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$26,250**

DEFERRAL **20.0%** Reduction **Adjustment** **-\$5,250**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY **\$21,000**

Screening Date 15-Jan-2016

Docket No. 2016-0090-AIR-E

PCW

Respondent Phillips 66 Company

Policy Revision 4 (April 2014)

Case ID No. 51758

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100229319

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	6	-6%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	2	-4%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same or similar violations and reduction for six notices of intent to conduct an audit and two disclosures of violations; however, the Adjustment Percentage (Subtotal 2) defaults to zero because the adjustment is below zero in accordance with the Penalty Policy.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 0%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 15-Jan-2016
Respondent Phillips 66 Company
Case ID No. 51758
Reg. Ent. Reference No. RN100229319
Media [Statute] Air
Enf. Coordinator Jessica Schildwachter
Violation Number 1

Docket No. 2016-0090-AIR-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit ("FOP") No. 0831, Special Terms and Conditions ("STC") No. 8, and New Source Review ("NSR") Permit No. 21593, Special Conditions ("SC") No. 8.B.

Violation Description

Failed to comply with the nitrogen oxide ("NOx") and carbon monoxide ("CO") emissions limits of 0.01 pound per million British thermal units ("lb/MMBtu") and 0.08 lb/MMBtu, respectively, on an hourly average. Specifically, from October 12, 2014 through March 23, 2015, the NOx emissions ranged from 0.02 lb/MMBtu to 0.04 lb/MMBtu for four hours, and from August 12, 2014 through March 19, 2015, the CO emissions ranged from 0.09 lb/MMBtu to 0.17 lb/MMBtu for 49 hours at the Turbine Group 1 with Heat Recovery Steam Generator ("HRSG") 1 and 2, Emission Point Number ("EPN") BO-101.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 3

8 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$11,250

Three quarterly events are recommended for the instances of non-compliance that occurred from August 12, 2014 through March 23, 2015.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$11,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$404

Violation Final Penalty Total \$11,250

This violation Final Assessed Penalty (adjusted for limits) \$11,250

Economic Benefit Worksheet

Respondent Phillips 66 Company
Case ID No. 51758
Reg. Ent. Reference No. RN100229319
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	12-Aug-2014	24-Mar-2016	1.62	\$404	n/a	\$404

Notes for DELAYED costs

Estimated cost to replace the turbine exhaust gas inlet guillotine valves to allow for the shutdown and isolation of an individual section to perform maintenance without the shutting down the whole plant, replace the combustion air inlet guillotine valves and control louvers, replace the stack damper butterfly valves, repair internal refractory, and complete improvements to electrical wiring of instrumentation to comply with the NOx and CO emissions limits at EPN BO-101. The Date Required is the first date of non-compliance. The Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$404

Screening Date 15-Jan-2016
Respondent Phillips 66 Company
Case ID No. 51758

Docket No. 2016-0090-AIR-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100229319

Media [Statute] Air

Enf. Coordinator Jessica Schildwachter

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), FOP No. 0831, STC No. 8, and NSR Permit No. 21593, SC No. 8.G.

Violation Description

Failed to comply with the NOx emissions limit of 0.01 lb/MMBtu and CO concentration limit of 50 parts per million by volume, dry ("ppmvd") at three percent oxygen on an hourly average. Specifically, from September 22, 2014 through April 20, 2015, the NOx emissions ranged from 0.02 lb/MMBtu to 0.03 lb/MMBtu for 95 hours, and from June 20, 2014 through April 28, 2015, the CO emissions ranged from 57 ppmvd to 712 ppmvd for 19 hours at the Auxiliary Boiler, EPN BO-103.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 4

28 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$15,000

Four quarterly events are recommended for the instances of non-compliance that occurred from June 20, 2014 through April 28, 2015.

Good Faith Efforts to Comply

0.0%

Reduction \$0

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$15,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$417

Violation Final Penalty Total \$15,000

This violation Final Assessed Penalty (adjusted for limits) \$15,000

Economic Benefit Worksheet

Respondent Phillips 66 Company
Case ID No. 51758
Reg. Ent. Reference No. RN100229319
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	20-Jun-2014	19-Feb-2016	1.67	\$417	n/a	\$417

Notes for DELAYED costs

Estimated cost to repair the hot spots on the west wall of the super-heat section, replace all relief valves, complete an internal inspection of boiler tubes, repair the refractory and hydro-test the boiler tubes, install new gaskets, rebuild the Boiler Feed Water Control, and replace the bypass globe valve to comply with the NOx emissions limit and the CO concentration limit at EPN BO-103. The Date Required is the earliest date of non-compliance. The Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$417

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN604065912, RN100229319, Rating Year 2015 which includes Compliance History (CH) components from September 1, 2010, through August 31, 2015.

Customer, Respondent, or Owner/Operator: CN604065912, Phillips 66 Company

Classification: SATISFACTORY

Rating: 8.80

Regulated Entity: RN100229319, GULF COAST FRACTIONATORS

Classification: SATISFACTORY

Rating: 0.83

Complexity Points: 10

Repeat Violator: NO

CH Group: 03 - Oil and Gas Extraction

Location: 9500 FM 1942 MONT BELVIEU, TX 77580, CHAMBERS COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER CI0042R
POLLUTION PREVENTION PLANNING ID NUMBER P00289

AIR OPERATING PERMITS PERMIT 831

AIR NEW SOURCE PERMITS REGISTRATION 12776A

AIR NEW SOURCE PERMITS PERMIT 21593

AIR NEW SOURCE PERMITS ACCOUNT NUMBER CI0042R

AIR NEW SOURCE PERMITS AFS NUM 4807100028

AIR NEW SOURCE PERMITS REGISTRATION 107493

AIR NEW SOURCE PERMITS REGISTRATION 116447

INDUSTRIAL AND HAZARDOUS WASTE EPA ID

TXD118482447

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 33690

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION

0360085

WATER LICENSING LICENSE 0360085

AIR EMISSIONS INVENTORY ACCOUNT NUMBER CI0042R

Compliance History Period: September 01, 2010 to August 31, 2015

Rating Year: 2015

Rating Date: 09/01/2015

Date Compliance History Report Prepared: January 14, 2016

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: January 14, 2011 to January 14, 2016

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Jessica Schildwachter

Phone: (512) 239-2617

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? YES
- 3) If **YES** for #2, who is the current owner/operator?
Gulf Coast Fractionators OWNER OPERATOR since 1/1/1800
INEOS Chocolate Bayou Pipeline LLC OWNER OPERATOR since 12/27/2012
PHILLIPS 66 COMPANY OWNER OPERATOR since 5/1/2012
Gulf Coast Fractionators OPERATOR since 1/1/1800
ConocoPhillips Company OWNER OPERATOR since 5/20/2003
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)?
PHILLIPS 66 COMPANY, OWNER OPERATOR, 1/1/1800 to 6/3/2015
Conoco Inc., OWNER, 9/4/2009 to 5/1/2012
ConocoPhillips Company, OWNER OPERATOR, 12/31/2002 to 5/1/2012
- 5) If **YES**, when did the change(s) in owner or operator occur? 5/1/2012

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	February 28, 2011	(891869)
Item 2	August 23, 2011	(941226)
Item 3	November 14, 2011	(956591)
Item 4	November 28, 2011	(952214)
Item 5	December 20, 2011	(971189)
Item 6	September 24, 2012	(1034683)
Item 7	November 15, 2012	(1029333)
Item 8	January 11, 2013	(1042966)
Item 9	February 28, 2013	(1059923)
Item 10	May 20, 2014	(1157510)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date:	01/07/2016 (1276016)	CN604065912
	Self Report?	NO	Classification: Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Condition 1 PERMIT Special Terms and Conditions 8 PERMIT	
	Description:	Failure to maintain PM hourly emission limits for cooling tower (EPN: CT-201). Category B13	
	Self Report?	NO	Classification: Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) Special Condition 1 OP Special Terms and Conditions 8 OP	
	Description:	Failure to maintain PM emission limits for cooling tower (EPN: CT-330). Category B13	
	Self Report?	NO	Classification: Minor
	Citation:	30 TAC Chapter 115, SubChapter D 115.352(4) 30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 116, SubChapter B 116.115(c)(2)(B)(ii) 30 TAC Chapter 122, SubChapter B 122.143(4) 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1) 5C THSC Chapter 382 382.085(b) Special Condition 10E PERMIT Special Terms and Conditions 1A & 8 OP	
	Description:	Failure to prevent open-ended lines (OELs) in VOC service. Category C10	
	Self Report?	NO	Classification: Moderate
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b) General Terms and Conditions OP	
	Description:	Failure to report all instances of deviations. Category B3	

F. Environmental audits:

Notice of Intent Date: 05/30/2014 (1174146)

Disclosure Date: 06/18/2014

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR Permit 21593, SC 7

Description: Failed to accurately record the results of monitoring the VOC associated with cooling tower water (EPNs EP-103A, EP-103B, and EP-103C).

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR Permit 21593, SC 1

Description: Failed to limit Cooling Tower VOC emissions to the annual allowable.

Notice of Intent Date: 06/16/2014 (1178271)

No DOV Associated

Notice of Intent Date: 05/29/2015 (1280371)

No DOV Associated

Notice of Intent Date: 06/18/2015 (1268195)

No DOV Associated

Notice of Intent Date: 06/18/2015 (1280361)

No DOV Associated

Notice of Intent Date: 11/16/2015 (1295475)

Disclosure Date: 12/18/2015

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR Permit No. 21593, SC 14

Description: Failed to maintain the typical oxygen content in the exhaust through the HRSG 1 and 2 stack (EPN BO-101) to below the oxygen analyzer span.

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
PHILLIPS 66 COMPANY
RN100229319**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2016-0090-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Phillips 66 Company ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a natural gas liquids fractionation plant located at 9500 Farm-to-Market Road 1942 in Mont Belvieu, Chambers County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about January 12, 2016.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Twenty-Six Thousand Two Hundred Fifty Dollars (\$26,250) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Ten Thousand Five Hundred

Dollars (\$10,500) of the administrative penalty and Five Thousand Two Hundred Fifty Dollars (\$5,250) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Ten Thousand Five Hundred Dollars (\$10,500) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent implemented the following corrective measures at the Plant:
 - a. By March 24, 2016, replaced the turbine exhaust gas inlet guillotine valves to allow for the shutdown and isolation of an individual section to perform maintenance without the shutting down the whole plant, replaced the combustion air inlet guillotine valves and control louvers, replaced the stack damper butterfly valves, repaired internal refractory, and completed improvements to electrical wiring of instrumentation to comply with the nitrogen oxide ("NOx") and carbon monoxide ("CO") emissions limits at the Turbine Group 1 with Heat Recovery Steam Generator ("HRSG") 1 and 2, Emission Point Number ("EPN") BO-101; and
 - b. By February 19, 2016, repaired the hot spots on the west wall of the super-heat section, replaced all relief valves, completed an internal inspection of boiler tubes, repaired the refractory and hydro-tested the boiler tubes, installed new gaskets, rebuilt the Boiler Feed Water Control, and replaced the bypass globe valve to comply with the NOx emissions limit and CO concentration limit at the Auxiliary Boiler, EPN BO-103.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to comply with the NO_x and CO emissions limits of 0.01 pound per million British thermal units ("lb/MMBtu") and 0.08 lb/MMBtu, respectively, on an hourly average, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit ("FOP") No. 0831, Special Terms and Conditions ("STC") No. 8, and New Source Review ("NSR") Permit No. 21593, Special Conditions ("SC") No. 8.B., as documented during a record review conducted from October 23, 2015 through November 30, 2015. Specifically, from October 12, 2014 through March 23, 2015, the NO_x emissions ranged from 0.02 lb/MMBtu to 0.04 lb/MMBtu for four hours, and from August 12, 2014 through March 19, 2015, the CO emissions ranged from 0.09 lb/MMBtu to 0.17 lb/MMBtu for 49 hours at the Turbine Group 1 with HRSG 1 and 2, EPN BO-101.
2. Failed to comply with the NO_x emissions limit of 0.01 lb/MMBtu and CO concentration limit of 50 parts per million by volume, dry ("ppmvd") at three percent oxygen on an hourly average, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), FOP No. 0831, STC No. 8, and NSR Permit No. 21593, SC No. 8.G., as documented during a record review conducted from October 23, 2015 through November 30, 2015. Specifically, from September 22, 2014 through April 20, 2015, the NO_x emissions ranged from 0.02 lb/MMBtu to 0.03 lb/MMBtu for 95 hours, and from June 20, 2014 through April 28, 2015, the CO emissions ranged from 57 ppmvd to 712 ppmvd for 19 hours at the Auxiliary Boiler, EPN BO-103.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Phillips 66 Company, Docket No. 2016-0090-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Ten Thousand Five Hundred Dollars (\$10,500) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing",

and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

8. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date


For the Executive Director

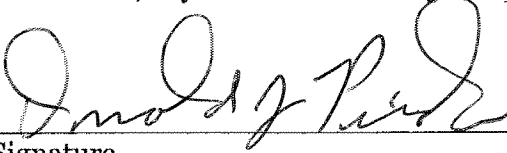
6/29/16
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

4/19/2016
Date

DONALD J. PIROLO
Name (Printed or typed)
Authorized Representative of
Phillips 66 Company

PLANT MANAGER - GCF
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2016-0090-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Phillips 66 Company
Penalty Amount:	Twenty-One Thousand Dollars (\$21,000)
SEP Offset Amount:	Ten Thousand Five Hundred Dollars (\$10,500)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Barbers Hill Independent School District
Project Name:	<i>Energy Efficiency Building Upgrade/Retrofit Project</i>
Location of SEP:	Chambers County

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Barbers Hill Independent School District** for the *Energy Efficiency Building Upgrade/Retrofit Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to pay a contractor to install and monitor sub-meters. The contractor’s work will include installing revenue grade electric sub-meters in the line feed of certain facilities; installing revenue grade current transformers; incorporating all engineering, software, and graphics to accomplish effective monitoring of the status of this equipment; and a one-year warranty including parts and labor for the new sub-meters. In addition to sub-metering, the Third-Party Administrator shall use the SEP Offset Amount to pay its contractor to monitor, calibrate, and repair existing meters and to complete energy efficiency upgrades and/or retrofits based on needs identified in energy audits. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not able to be spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The Project will result in reduced energy consumption by school district buildings and will contribute to the overall reduction of greenhouse gases. The sub-metering is expected to reduce energy consumption up to eight percent. The Project will reduce fuel and electricity usage for heating and cooling and day-to-day operations. These reductions will reduce emission of particulate matter, volatile organic carbon compounds, nitrogen oxides, and other pollutants associated with the combustion of fuel and generation of electricity. It will also contribute to a reduction in peak loads on the State electric power grid.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Barbers Hill ISD SEP** and shall mail the contribution with a copy of the Agreed Order to:

John Johnson, Consultant
Carl R. Griffith & Associates, Inc.
2901 Turtle Creek Drive, Suite 445
Port Arthur, Texas 77642

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Phillips 66 Company
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. **Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. **Publicity**

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. **Recognition**

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.